USAID Grant Agreement No. SOAG-306-05-06

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER SIX

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN

FOR

THE STRATEGIC OBJECTIVE OF A THRIVING ECONOMY LED BY THE PRIVATE SECTOR

Dated as of: September 30, 2006

APPN:
BPC:
RCN:

AMENDMENT NO. SIX

TO

STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER SIX TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT between the Government of the United States of America, acting through the United States Agency for International Development (USAID), and the Government of the Islamic Republic of Afghanistan (hereinafter referred to as the "Grantee" or the "GOA"), acting through the Ministry of Finance, dated as of September 30, 2006

WHEREAS, the Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the strategic objective of "A Thriving Economy Led by the Private Sector" (USAID Grant Agreement No. SOAG-306-05-00) dated September 19, 2005 and subsequently amended the SOAG as of:

- September 30, 2005 (Amendment No. 1);
- April 6, 2006 (Amendment No. 2);
- May 11, 2006 (Amendment No. 3);
- June 28, 2006 (Amendment No. 4); and,
- September 18, 2006 (Amendment No. 5).

The SOAG as so amended is referred to hereinafter as the "Agreement."

WHEREAS, USAID and the Grantee wish to amend the Agreement further to: (a) increase the USAID contribution by **Sixty Million Four Hundred Thirty Three Thousand Eight Hundred Sixty Eight** United States (U.S.) Dollars **(U.S.$ 60,433,868.00)**; and (b) update the illustrative financial plan;

NOW, THEREFORE, the Parties hereto hereby agree that the Agreement shall be amended as follows:

1. The first sentence in Section 3.1(a), The Grant, of the Agreement is deleted in its entirety and the following is substituted therefor: "To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, hereby grants to the Grantee under the terms of this Agreement not to exceed **Nine Hundred Twenty-Five Million Five Hundred Seventy-Seven Thousand Nine Hundred Twelve And Eighty-Two Hundredths** United States (U.S.) Dollars **(U.S.$ 925,577,912.82)** (the 'Grant')."

2. The illustrative financial plan set forth in Attachment 1 to Annex 1 to the Agreement is deleted and the updated illustrative financial plan included as Attachment A to this Amendment is substituted therefor.

All other terms and conditions of the Agreement remain unchanged and in full force and effect. This Amendment is prepared in both English and Dari (capitalized terms not defined in this Amendment shall have the meanings ascribed thereto in the Agreement). In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the United States of America and the Government of the Islamic Republic of Afghanistan, each acting through its duly authorized representatives, have caused this Amendment Number Six to be signed in their names and delivered as of the day, month and year first written above.

THE UNITED STATES OF AMERICA

By:
Name: Leon S. Waskin
Title: Director, USAID Mission to Afghanistan

THE ISLAMIC REPUBLIC OF AFGHANISTAN

By:
Name: Wahidullah Shahrani
Title: Deputy Minister of Finance, Signing in his capacity as Acting Finance Minister

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010

Amendment No. 6

In Thousands of U.S. Dollars

Objective and Activities	Amount Obligated prior to Amendment No. 6		Amount Obligated in Amendment No. 6		Cumulative Obligations in FY 2005 - FY 2006 *		Amount Remaining to be Obligated in FY 2007 - FY 2010 **		Total Estimated Contribution	
	USAID	Grantee	USAID	Grantee	USAID	Grantee	USAID	Grantee	USAID	Grantee
A THRIVING ECONOMY LED BY THE PRIVATE SECTOR **USAID Grant Agreement No. SOAG-306-05-00**										
Rehabilitate the rural economy	**239,800**		**-**		**239,800**		**794,701**		**1,034,501**	
Accelerate market-led growth in agriculture ***	60,420		-		60,420		223,980		284,400	
Accelerate rural development to generate alternative livelihoods —	179,381		-		179,381		570,720		750,101	
Increase Incomes through Economic Growth * **	**93,269**		**1,500**		**94,769**		**357,020**		**451,789**	
Expand Improved Access to Economic Infrastructure	**507,694**		**58,934**		**566,628**		**692,312**		**1,258,940**	
Stabilize Energy Services and Make them Affordable and More Accessible ***	214,622				214,622		389,826		604,448	
Expand and Improve Access to Transportation	279,644		58,934		338,578		91,714		430,292	
Expand and Improve Access to Water Supplies and Sanitation	13,428		-		13,428		210,772		224,200	
USAID Program Support	**24,380**		**-**		**24,380**		**18,540**		**42,920**	
TOTAL OBJECTIVE 5:	**865,144**	**50,000**	**60,434**	**-**	**925,578**	**50,000**	**1,862,572**	**212,900**	**2,788,150**	**262,90**

NOTE * – References to "FY" refer to the USG fiscal year for the USAID contribution and the GOA contributions beginning in the second half of Afghan year 1384

NOTE ** – These funds are subject to the availability of funds to USAID and the Grantee and the other conditions set forth respectively in Section 3.1 (b) and Section 3.2 (b) of the Agreement

NOTE *** – The illustrative financial plan previously included a line item for "Pre-existing Mortgages"; however, the funds in that line item are now included in the relevant programmatic line items indicated above